BEGIN — NOVEMBER 19, 1960

30.24-13459

A46
(300)
NIGHT LEAD ECONOMIC 3-54

BY JACK KOEHLER

BONN, GERMANY, NOV. 19 (AP)-U.S. SECRETARY OF THE TREASURY ROBERT B. ANDERSON AND UNDERSECRETARY OF STATE C. DOUGLAS DILLON ARRIVED TONIGHT TO TELL THE WEST GERMANS THEY MUST SPEND MORE MONEY TO HELP THE PEOPLES OF LESS FORTUNATE NATIONS.

SEEKING WAYS TO STEM A DRAIN ON U.S. GOLD AND DOLLAR RESERVES, THE TWO MEN FLEW TO GERMANY IN A SPECIAL U.S. AIR FORCE JET. THEY WERE MET BY ECONOMIC MINISTER LUDWIG ERHARD AND HILGER SCHERPENBERG, DEPUTY FOREIGN MINISTER.

ANDERSON SAID IN A STATEMENT THAT THE THREE-DAY ECONOMIC TALKS OF AMERICAN AND GERMAN AUTHORITIES STARTING MONDAY WILL DEAL WITH THE "UNUSUAL CONDITIONS PREVAILING WITH RESPECT TO THE GERMAN AND U. S. INTERNATIONAL PAYMENTS POSITIONS."

HE SAID THIS CONSTITUTED A MOST IMPORTANT PROBLEM FOR THE FREE WORLD'S INTERNATIONAL MONETARY SYSTEM.

ANDERSON TOLD ERHARD HE WAS ASKED BY PRESIDENT EISENHOWER TO CONVEY HIS PERSONAL HOPES THAT "OUR TALKS WILL RESULT IN EVEN GREATER UNDERSTANDING BETWEEN OUR TWO COUNTRIES IN THE INTEREST OF MAINTAINING AND INCREASING THE ECONOMIC AND POLITICAL STRENGTH OF THE FREE WORLD."

ERHARD REPLIED THAT HE HAS KNOWN ANDERSON FOR A LONG TIME AND NEGOTIATED OFTEN WITH HIM AND THE AMERICANS CAN BE ASSURED THAT "WE WILL DO EVERYTHING TO REACH AN UNDERSTANDING." ERHARD SAID HE IS CONVINCED THAT THE SERIOUS MISSION WHICH BRINGS ANDERSON AND DILLON TO BONN "WILL BE RECEIVED WITH GREAT SINCERITY AND WITH GREAT UNDERSTANDING."

THE ECONOMIC MINISTER SAID THE TALKS WILL NOT ONLY BE IMPORTANT FOR THE RELATIONS BETWEEN THE BONN GOVERNMENT AND WASHINGTON BUT ALSO FOR THE STRENGTHENING OF THE ENTIRE FREE WORLD.

"IT WILL BE A SERIOUS DISCUSSION BUT ONE WITH MUTUAL CONFIDENCE AND WE WILL TALK TOGETHER AS FRIENDS," HE SAID. ERHARD ADDED HE WAS CONVINCED THAT A GOOD SOLUTION TOTHE PROBLEMS WILL BE FOUND.

THE TALKS WILL DEAL WITH TWO SUBJECTS--ASKING GERMANY TO GOVERNMENT TO PAY MORE ~~FOR THE UPKEEP~~ OF THE NORTH ATLANTIC TREATY ORGANIZATION (NATO). SUPPLY MORE MONEY FOR FOREIGN AID AND PERSUADING THE ADENAUER

THE FOREIGN AID DISCUSSIONS, TO BE LED BY DILLON, ARE EXPECTED TO BE THE MOST CONTROVERSIAL. THE WEST GERMANS WERE SAID TO BE PREPARED FOR

ADENAUER'S GOVERNMENT SAYS IT SPENT 2,454 MILLION MARKS ($584 MILLION) ON FOREIGN AID LAST YEAR, BUT NON-GERMAN ECONOMIC AND FINANCIAL EXPERTS SAY THIS DOES NOT REPRESENT A TRUE PICTURE OF THE SITUATION.

THESE EXPERTS SAY THE WEST GERMAN FIGURE INCLUDES EXPORT CREDIT GUARANTEES WHICH SO FAR HAVE NOT MEANT ANY PUBLIC EXPENDITURE. THEY ALSO SAY IT INCLUDES REPARATIONS AND INDEMNITIES PAID TO SUCH COUNTRIES AS ISRAEL.

THE ACTUAL FOREIGN AID PAYMENTS OUT OF THE FEDERAL BUDGET, THEY ADD, AMOUNTED TO ABOUT $100 MILLION A YEAR.

ANDERSON WILL HEAD THE TALKS CONCERNING GERMANY'S CONTRIBUTION TO THE ATLANTIC ALLIANCE. HE HAS SAID HE WOULD TALK ABOUT THE COST OF MAINTAINING U.S. TROOPS IN WEST GERMANY, ANOTHER CAUSE OF THE DOLLAR AND GOLD OUTFLOW.

THE GERMANS ARE UNWILLING TO MAKE DIRECT CONTRIBUTIONS TO U.S. TROOP MAINTAINANCE BECAUSE THEY FEEL IT WOULD SMACK OF OCCUPATION CHARGES. THE BONN GOVERNMENT, HOWEVER, HAS INDICATED IT MIGHT BE WILLING TO PUT MORE MONEY INTO THE GENERAL NATO STRUCTURE.

WH550PES

A1

BY DAVID MASON (170)

PARIS, NOV. 19 (AP)-RAYMOND J. SAULNIER, CHAIRMAN OF PRESIDENT EISENHOWER'S COUNCIL OF ECONOMIC ADVISERS, SAID TODAY THAT NO ONE SHOULD EXPECT DEVALUATION OF THE AMERICAN DOLLAR.

SAULNIER, SPEAKING AT THE UNIVERSITY OF PARIS, ALSO SAID HE FELT THE U. S. ECONOMY WAS IN A "VERY GOOD POSITION TO RESUME AN ADVANCE WHICH HAS CHARACTERIZED IT OVER THE YEARS."

SAULNIER WAS ASKED BY A STUDENT TO EXPLAIN THE IMPLICATIONS OF A DEVALUATION OF THE U. S. DOLLAR.

"I DON'T THINK YOU SHOULD EXPECT A DOLLAR DEVALUATION AT ALL," HE SAID.

HE PRESENTED AN OPTIMISTIC PICTURE OF THE U. S. ECONOMIC OUTLOOK AS THE EISENHOWER ADMINISTRATION CLOSES.

"AFTER A FEW MONTHS IN WHICH WE HAVE DONE LITTLE MORE THAN HOLD OUR OWN," HE SAID," WE ARE IN A GOOD POSITION TO MOVE UP. I BELIEVE THE NEXT DECISIVE MOVE IN THE U. S. ECONOMY WILL BE AN ADVANCE."

SAULNIER SAID HE WAS NOT CLAIMING THERE HAD BEEN NO RECENT DECLINE IN THE U. S. ECONOMY.

"BUT," HE SAID, "THERE HAS BEEN NOTHING WHICH COULD PROPERLY BE TERMED AN ECONOMIC RECESSION. I THINK THIS CAN BE AVOIDED. THIS IS THE LEGACY I LEAVE TO MY SUCCESSOR."

JE1215PES

1960

A62WX
(450) NIGHT LEAD DOLLARS

BY JOHN M. HIGHTOWER

WASHINGTON, NOV. 19 (AP)-THE GOVERNMENT MAY CRACK DOWN ON AMERICAN TOURISTSJ SPENDING ABROAD IF NEW ACTION BECOMES NECESSARY TO PROTECT THIS COUNTRY'S DOLLAR RESERVES.

OFFICIALS HAVE ALREADY STUDIED THE POSSIBILITY OF TRYING TO REDUCE THE $1-BILLION GAP BETWEEN WHAT AMERICAN TRAVELERS SPEND IN THE REST OF THE WORLD AND WHAT TOURISTS FROM ABROAD SPEND HERE.

THE MOST OBVIOUS AND SIMPLEST TARGET FOR CHANGE, OFFICIALS SAID TODAY, IS THE $500 TARIFF EXEMPTION PERMITTED AMERICANS ON FOREIGN PURCHASES IN ANY SIX-MONTHS PERIOD OF TRAVEL.

THERE WERE WIDESPREAD DEVELOPMENTS IN THE EISENHOWER ADMINISTRATION'S CAMPAIGN TO CLOSE THE GAP IN THE AMERICAN BALANCE OF PAYMENTS ACCOUNT. AMONG THEM:

--RAYMOND J. SAULNIER, CHAIRMAN OF PRESIDENT EISENHOWER'S COUNCIL OF ECONOMIC ADVISERS, SAID IN PARIS THAT NO ONE SHOULD EXPECT DEVALUATION OF THE AMERICAN DOLLAR. IN A TALK AT THE UNIVERSITY OF PARIS, SAULNIER ALSO SAID HE FEELS THE U. S. ECONOMY IS IN A "VERY GOOD POSITION TO RESUME AN ADVANCE WHICH HAS CHARACTERIZED IT OVER THE YEARS."

--EISENHOWER, VACATIONING AT AUGUSTA, GA., WAS DESCRIBED AS CONFIDENT THAT AMERICA'S EUROPEAN ALLIES WILL AGREE TO SHOULDER MORE OF THE FINANCIAL BURDEN OF DEFENDING AND AIDING ECONOMICALLY THE NONCOMMUNIST WORLD. THE PRESIDENT WAS SAID TO HAVE INSTRUCTED AIDES NOW DISCUSSING THE PROBLEM TO TAKE A FIRM ATTITUDE WITH WEST GERMAN, BRITISH AND FRENCH LEADERS.

--THOSE AIDES, SECRETARY OF THE TREASURY ROBERT B. ANDERSON AND UNDERSECRETARY OF STATE DOUGLAS DILLON, ARRIVED IN BONN TO URGE THE WEST GERMAN GOVERNMENT TO SPEND MORE MONEY TO HELP LESS FORTUNATE NATIONS. ANDERSON SAID THE THREE DAYS OF TALKS, OPENING MONDAY, WILL DEAL WITH THE "UNUSUAL CONDITIONS PREVAILING WITH RESPECT TO THE GERMAN AND U. S. INTERNATIONAL PAYMENTS POSITIONS."

ANDERSON WAS ASSURED BY THE WEST GERMAN ECONOMIC MINISTER, LUDWIG ERHARD, THAT "WE WILL DO EVERYTHING TO REACH AN UNDERSTANDING."

MEANWHILE, IT WAS REPORTED TODAY THAT THE ACTUAL DOLLAR COST OF THE MILITARY AND ECONOMIC FOREIGN AID PROGRAM WILL GO UP BY MANY MILLIONS OF DOLLARS AS THE DEFENSE DEPARTMENT AND THE INTERNATIONAL COOPERATION ADMINISTRATION BEGIN TO CARRY OUT PRESIDENT EISENHOWER'S NEW "BUY AMERICAN" POLICY.

ICA OFFICIALS WERE REPORTED TO HAVE MADE AN ESTIMATE THAT IT WILL COST AN ADDITIONAL $150 MILLION TO PURCHASE IN THE UNITED STATES THE GOODS FOR AID TO FOREIGN COUNTRIES WHICH ARE NOW PURCHASED ABROAD UNDER THE $1-DOLLAR ECONOMIC ASSISTANCE PROGRAM.

DEFENSE DEPARTMENT ESTIMATES ON THE SAME PROBLEM WERE NOT IMMEDIATELY AVAILABLE. CONTRACTS FOR PURCHASE OF ARMS IN WESTERN EUROPEAN COUNTRIES, FOR THE BENEFIT OF THE NATO DEFENSE SYSTEM, CAN ONLY BE SHIFTED SLOWLY TO AMERICAN SUPPLIERS. THUS, THE ADDITIONAL COST AT THE HIGHER U. S. PRICE LEVEL PROBABLY WOULD RUN TO ONLY A FEW MILLION DOLLARS THE FIRST YEAR. Billion

PRESIDENT EISENHOWER ANNOUNCED WEDNESDAY HE WAS ORDERING ALL GOVERNMENT AGENCIES TO BUY EVERYTHING POSSIBLE IN THE UNITED STATES AND CUT FOREIGN PURCHASES TO THE BONE. HE ALSO ORDERED THE DEFENSE DEPARTMENT TO REDUCE DEPENDENTS OF MILITARY PERSONNEL ABROAD BY 284,000 PERSONS. HIS PROGRAM IS EXPECTED TO ACCOUNT FOR $1 BILLION A YEAR OUT OF A NEEDED SAVING OF AROUND $4 BILLION IF THIS COUNTRY'S INCOME AND OUTGO ARE TO BE BALANCED.

EISENHOWER ADMINISTRATION OFFICIALS HAVE BEEN DISCUSSING THE SITUATION WITH REPRESENTATIVES OF PRESIDENT-ELECT JOHN F. KENNEDY.

IF NEW MEASURES HAVE TO BE TAKEN--THAT IS IF THE KENNEDY ADMINISTRATION CONSIDERS THE EISENHOWER PROGRAM INADEQUATE--THE TARIFF LOOPHOLE WHICH WAS OPENED TO ENCOURAGE TOURIST BUYING ABROAD COULD READILY BE CLOSED OR NARROWED.

THERE IS ALSO SPECULATION THAT STEPS MIGHT SOMEHOW BE DEVISED TO REDUCE THE OUTFLOW OF PRIVATE CAPITAL. ADDITIONAL MEASURES COULD CUT DOWN STILL FURTHER THE NUMBER OF DEPENDENTS OF MILITARY PERSONNEL ABROAD. AND AS A LAST RESORT, OFFICIALS SAID, THE ACTUAL NUMBER OF TROOPS COULD BE CUT. HOWEVER, EISENHOWER ORDERED HIS PROGRAM PUT INTO EFFECT WITHOUT ANY REDUCTION IN TROOP STRENGTH OR FOREIGN AID. AND KENNEDY CAMPAIGNED ON A PLATFORM OF REINFORCING RATHER THAN WEAKENING THE U. S. MILITARY POSITION IN THE WORLD.

GG/CR512PES NM

1960

A49AX

IKE-FOREIGN AID (360)

BY JOHN SCALI

AUGUSTA, GA., NOV. 19 (AP)-PRESIDENT EISENHOWER WAS REPORTED CONFIDENT TODAY THAT EUROPEAN ALLIES WILL AGREE TO PICK UP MORE OF THE FINANCIAL BURDEN OF DEFENDING AND ECONOMICALLY AIDING THE NON-COMMUNIST WORLD.

EISENHOWER, WINDING UP HIS GOLFING VACATION, IS UNDERSTOOD TO HAVE INSTRUCTED TREASURY SECRETARY ROBERT B. ANDERSON TO ADOPT A FIRM ATTITUDE IN DISCUSSING THE PROBLEM WITH WEST GERMAN, BRITISH AND FRENCH LEADERS.

ANDERSON, ACCOMPANIED BY UNDERSECRETARY OF STATE DOUGLAS DILLON, LEFT WASHINGTON TODAY FOR URGENT TALKS WITH FINANCIAL CHIEFS OF THESE THREE MAIN EUROPEAN ALLIES.

BOTH ARE UNDER INSTRUCTIONS, OFFICIALS SAID, TO REPORT DAILY TO EISENHOWER ON THE RESULTS OF THEIR SPECIAL OVERSEAS MISSION.

THE PRESIDENT CLEARLY IS LOOKING TO CHANCELLOR KONRAD ADENAUER'S WEST GERMAN GOVERNMENT TO LEAD THE WAY IN ALLOCATING MORE OF ITS AMPLE RESOURCES TO PURPOSES THAT WILL HELP THE UNITED STATES EASE ITS OVERSEAS GOLD-DOLLAR STRAIN.

THE WEST GERMANS ARE REPORTED PLANNING TO BOOST BY UP TO $700 MILLION ECONOMIC AID TO UNDER-DEVELOPED COUNTRIES.

BUT EISENHOWER STRONGLY HINTED THURSDAY, IN ANNOUNCING A SWEEPING PROGRAM TO CUT OVERSEAS SPENDING BY A BILLION DOLLARS, THAT SUCH A WEST GERMAN CONTRIBUTION IS NOT ENOUGH.

ANDERSON AND DILLON WILL ALSO DISCUSS WITH ADENAUER, HE SAID, THE COST OF MAINTAINING SOME 200,000 AMERICAN ANTI-INVASION TROOPS IN WEST GERMANY.

THIS FORESHADOWED A POSSIBLE OFFICIAL AMERICAN REQUEST THAT WEST GERMANY ALSO AGREE TO MEET PART OF THIS EXPENSE--SOMETHING THE GERMANS HAVE BALKED AT IN THE PAST FEW YEARS.

IN THE CLOSING WEEKS OF HIS ADMINISTRATION, EISENHOWER HAS CONCENTRATED MUCH OF HIS ATTENTION ON THE OVERSEAS SPENDING PROBLEM IN LINE WITH HIS PASSIONATE BELIEF IN MAINTAINING A SOUND DOLLAR.

THE PRESIDENT APPROVED VERY RELUCTANTLY, IT IS UNDERSTOOD, THE EMERGENCY REMEDIES HE ANNOUNCED THURSDAY, ESPECIALLY THE PLAN TO RETURN HOME SOME 284,000 DEPENDENTS OF SERVICEMEN OVERSEAS.

AS A MILITARY MAN, EISENHOWER KNEW IT MIGHT CREAT MORALE PROBLEMS FOR TROOPS USED TO HAVING THEIR WIVES AND CHILDREN WITH THEM.

HAVING DECIDED THERE WAS NO ALTERNATIVE, EISENHOWER TIMED HIS ANNOUNCEMENT A FEW DAYS BEFORE ANDERSON AND DILLON LEFT FOR VISITS TO BONN, PARIS AND LONDON.

THIS WAS DONE TO DEMONSTRATE TO THE EUROPEANS THE SERIOUSNESS OF THE PROBLEM AND TO GIVE NOTICE EISENHOWER NOT ONLY EXPECTS BUT WILL INSIST ON MAJOR ALLIED ECONOMIC HELP.

THE PRESIDENT CHECKED IN BRIEFLY AT HIS VACATION OFFICE THIS MORNING AND THEN GOLFED IN AUGUSTA'S SUNNY 70 DEGREE WEATHER. AFTERWARD, HE PLAYED BRIDGE WITH TWO WASHINGTON FRIENDS, GEORGE E. ALLEN AND GEN. ALFRED M. GRUENTHER, PRESIDENT OF THE RED CROSS, AND AN UNIDENTIFIED FOURTH PARTNER.

TM/EP416PES

A39WX

(280) DEPENDENTS

WASHINGTON, NOV. 18 (AP)-THE AIR FORCE HAS TAKEN THE FIRST CONCRETE STEP TO CARRY OUT PRESIDENT EISENHOWER'S ORDER TO REDUCE THE NUMBER OF WIVES AND CHILDREN LIVING OVERSEAS WITH AMERICAN SERVICEMEN.

THE EISENHOWER ORDER IS AIMED AT CURBING A HEAVY FLOW OF GOLD FROM THIS COUNTRY. BY CUTTING DOWN THE NUMBER OF MILITARY DEPENDENTS OVERSEAS, LESS DOLLARS WOULD BE SPENT ABROAD WHICH CAN BE REDEEMED IN GOLD.

THE AIR FORCE YESTERDAY SET A DEADLINE OF NEXT FEB. 1 FOR OVERSEAS TRAVEL ORDERS FOR DEPENDENTS OF ITS UNIFORMED PERSONNEL.

AFTER THAT DATE, THE AIR FORCE SAID, THOSE GOING TO OVERSEAS ASSIGNMENTS MUST GO WITHOUT THEIR FAMILIES.

THE AIR FORCE SAID EXCEPTIONS "WILL HAVE TO BE GRANTED FOR HUMANITARIAN CONSIDERATIONS, HARDSHIPS AND PECULIARITIES OF SELECTED AIR FORCE UNITS."

SECRETARY OF THE NAVY WILLIAM B. FRANKE SAID DETAILED NAVY PLANS ARE NOW BEING PREPARED TO CARRY OUT THE GRADUAL REDUCTION OF OVERSEAS DEPENDENTS.

FRANKE HAS ALSO ORDERED HIS COMMANDS TO TAKE ACTION "TO IMPRESS ON ALL NAVY AND MARINE CORPS PERSONNEL THAT THESE ACTIONS ARE VITALLY IMPORTANT TO THE WELFARE OF OUR COUNTRY."

THE ARMY HAS NOT YET ANNOUNCED ANY ACTION TO CARRY OUT THE EISENHOWER ORDER.

ARMY SECRETARY WILBER M. BRUCKER, FOR THE SECOND DAY IN A ROW, YESTERDAY IMPLIED THAT THE ORDER MIGHT SERVE TO WEAKEN AMERICAN MILITARY EFFECTIVENESS ABROAD.

BRUCKER TOLD A RETIRED OFFICERS ASSOCIATION CONVENTION THE PRESENCE OF SERVICE FAMILIES OVERSEAS IS EVIDENCE TO FRIEND AND FOE THAT U.S. "FORWARD STRATEGY IS NOT A FLY-BY-NIGHT ARRANGEMENT." PREVIOUSLY HE HAD EXPRESSED CONCERN OVER THE EFFECT OF THE ORDER ON MORALE OF OVERSEAS TROOPS.

THE ARMY HAS 248,788 DEPENDENTS OVERSEAS. THE AIR FORCE HAS 197,438, AND THE NAVY AND MARINES HAVE 37,837. NO MARINE COMBAT FORCES HAVE FAMILIES ALONG.

THE EISENHOWER ORDER CALLS FOR THE TOTAL NUMBER OF OVERSEAS DEPENDENTS TO BE REDUCED BY 284,000 -- ABOUT HALF THE TOTAL -- [illegible]

A76FX

(150)

SAN FRANCISCO, NOV. 19 (AP)-PRESIDENT EISENHOWER'S ORDER TO CUT BACK THE NUMBER OF OVERSEAS DEPENDENTS OF MILITARY PERSONNEL SHOULD HAVE LITTLE EFFECT ON NAVY MORALE, AN ASSISTANT NAVY SECRETARY SAID TODAY.

THE STATEMENT BY RICHARD JACKSON, ASSISTANT SECRETARY OF THE NAVY FOR PERSONNEL AND RESERVE FORCES, RAN COUNTER TO THE REACTION OF ARMY SECRETARY WILBUR BRUCKER, WHO SAID THE ORDER WOULD BE A THREAT TO COMBAT EFFECTIVENESS.

"I GET A LITTLE IMPATIENT WITH THE WORD MORALE. IT'S A CLICHE WORD," SAID JACKSON, IN SAN FRANCISCO TO ADDRESS THE SEVENTH ANNUAL CONVENTION OF THE NAVAL RESERVE ASSOCIATION.

"MORALE IS REALLY A FUNCTION OF LEADERSHIP. OUR PEOPLE CAN TAKE A LOT OF HARDSHIP WITHOUT DELETERIOUS EFFECTS AS LONG AS THEY HAVE A SKIPPER WHO'S DOING HIS JOB PROPERLY."

DEFENSE SECRETARY THOMAS S. GATES JR. SAID LAST WEEK THE PULLBACK OF SOME 284,000 WIVES AND CHILDREN OF MILITARY PERSONNEL WOULD BEGIN IN JANUARY.

JW259PPS NM

A39

AMS BUDGET (380)

MACMILLAN-KENNEDY

BY ARTHUR GAVSHON

1960

LONDON, NOV. 19 (AP)-PRIME MINISTER HAROLD MACMILLAN HAS DECIDED TO LET PRESIDENT-ELECT JOHN F. KENNEDY MAKE THE FIRST MOVE IN RENEWING THE CLOSE TIES BETWEEN WASHINGTON AND LONDON.

IT WAS LEARNED TODAY ON HIGH AUTHORITY THAT THE BRITISH LEADER WILL AWAIT AN INVITATION FROM KENNEDY FOR TALKS UNLESS SOME COMPELLING INTERNATIONAL EMERGENCY LIKE A REVIVAL OF THE BERLIN CRISIS FORCES MACMILLAN TO GO TO WASHINGTON BEFORE SPRINGTIME.

THE PRIME MINISTER CONSIDERS IT WOULD BE UNDIGNIFIED IF HE WERE TO APPEAR TO BE CHASING KENNEDY. HE FEELS A SUDDEN DASH TO WASHINGTON BEFORE THE PRESIDENT-ELECT ADJUSTS HIMSELF WOULD SAVOR OF OVER ANXIETY AT BRITAIN'S STATUS AS AMERICA'S CLOSEST PARTNER IN THE NORTH ATLANTIC ALLIANCE.

BY CONTRAST, WEST GERMAN CHANCELLOR ADENAUER ANNOUNCED HE WOULD BE GOING TO WASHINGTON IN FEBRUARY. HE MADE THE ANNOUNCEMENT A FEW DAYS AFTER KENNEDY'S ELECTION.

TO THE BRITISH, KENNEDY'S ELECTION SPELLS MORE THAN THE RISE OF A DYNAMIC SYMBOL OF AMERICAN ENERGY AND YOUTH. IT ENDS THE ERA OF THE "OLD BOY NETWORK," IN WHICH MACMILLAN COULD TELEPHONE PRESIDENT EISENHOWER ANY TIME FOR TALKS PUNCTUATED BY "HAROLD" AND "IKE".

MACMILLAN HAS NEVER MET KENNEDY, ALTHOUGH SOME OF HISAIDES KNEW THE PRESIDENT-ELECT WELL IN HIS CONGRESSIONAL DAYS. KENNEDY'S FATHER WAS AMBASSADOR TO BRITAIN BEFORE WORLD WAR II AND YOUNG KENNEDY ACCOMPANIED HIM FOR A TIME.

BUT SOME ASPECTS OF THE OLD PARTNERSHIP WILL REMAIN THE SAME. OFFICIALS AT THE LOWER ECHELONS STILL USE THE SAME LANGUAGE, ADDRESS EACH OTHER BY THEIR FIRST NAMES AND SWAP INTELLIGENCE SECRETS.

MACMILLAN MAY BE EXPECTED TO WORK ON FOR THESE INTERNATIONAL OBJECTIVES:

1. A STEADY, WELL PREPARED ASCENT TO AN EAST-WEST SUMMIT MEETING IN ORDER TO DEFUSE THE POWER KEG OF BERLIN.

2. AN IMPETUS FOR THE LIMPING GENEVA NEGOTIATIONS TO BAN NUCLEAR WEAPONS TESTS.

3. A NEW APPROACH TOWARD SERIOUS TALKS ON ENDING THE WORLD ARMS RACE.

4. NORMALIZING RELATIONS WITH COMMUNIST CHINA, PREFERABLY BY ADMITTING PEIPING TO THE UNITED NATIONS. THIS NEED NOT NECESSARILY MEAN THE U. S. GOVERNMENT WOULD HAVE TO RECOGNIZE PEIPING AS LONDON DOES.

5. STRENGTHENING OF THE NORTH ATLANTIC ALLIANCE, WITH SPECIAL EMPHASIS ON WINNING FULL FRENCH COOPERATION.

JE312PES

30.24- 13461

A43 AMS BUDGET

NIGHT LEAD COMMUNISTS (400)

BY PRESTON GROVER

MOSCOW, NOV. 19 (AP)-THE COMMUNIST WORLD'S SUMMIT MEETING TODAY WAS REPORTED DRAWING TO A CLOSE AFTER AN UNUSUALLY LONG SESSION. IT OPENED 10 DAYS AGO.. BUT NOT ALL SOURCES WERE UNANIMOUS ON PROGRESS. SOME SAID TALKS STILL ARE UNDER WAY ON WHETHER TO TAKE A TOUGHER LINE IN THE COLD WAR AGAINST THE WEST.

THE FIRST INDICATION THAT THE MARATHON MEETING MAY BE ENDING WAS THE DEPARTURE TODAY OF PRESIDENT ANTONIN NOVOTNY OF CZECHOSLOVAKIA FOR PRAGUE. SOME SOURCES, HOWEVER, SAID NOVOTNY WENT HOME FOR OTHER REASONS AND THAT THE COMMUNIST MEETING CONTINUED WITHOUT HIM.

(IN BUDAPEST, THE HUNGARIAN RADIO ANNOUNCED THE HUNGARIAN PARLIAMENT WILL MEET IN SPECIAL SESSION DEC. 1. ALTHOUGH NO ANNOUNCEMENT WAS MADE ABOUT THE MOSCOW MEETING, IT SEEMED LIKELY THE HUNGARIAN PARLIAMENT SESSION WAS CONNECTED WITH THE SUMMIT TALKS.)

THE IMMEDIATE ISSUE IS A DISPUTE WITHIN THE COMMUNIST WORLD ON HOW TO COME UP WITH A FORMULA SATISFACTORY TO BOTH MOSCOW AND PEIPING ON THE THEORY THAT WAR WITH THE CAPITALIST WORLD IS NOT INEVITABLE AND COMMUNISM WILL TRIUMPH WITHOUT IT.

A COMMUNIQUE ON THAT IS EXPECTED NEXT WEEK, BUT SOME REPORTS SAID THERE MIGHT BE NO COMMUNIQUE AT ALL.

FROM SUCH A PRONOUNCEMENT ON COMMUNIST IDEOLOGY WESTERNERS MIGHT READ THE OUTCOME OF A DISPUTE ON COMMUNIST STRATEGY--WHETHER TO TAKE A HARDER LINE AGAINST THE WEST AND FORCE THE ISSUE ON SUCH PROBLEMS AS WEST BERLIN.

SOME LEADERS IN RED CHINA HAVE BEEN CRITICIZED HERE FOR INSISTING ON A HARD LINE. THE OPPOSING VIEW, SHARED BY SOVIET PREMIER KHRUSHCHEV, IS THAT PEACEFUL COEXISTENCE WITH THE CAPITALIST STATES IS ESSENTIAL TO AVOID NUCLEAR WAR AND PERMIT WHAT THE EXPONENTS BELIEVE WILL BE A SLOWER, CERTAIN VICTORY FOR COMMUNISM.

NOTHING WHATEVER HAS BEEN PUBLISHED IN THE SOVIET UNION ABOUT THE MEETING, BUT ROUNDABOUT RUMORS DRIFTING HERE FROM ABROAD SAY THAT SHARP DISPUTES HAVE DEVELOPED IN WRITING THE NEW PROGRAM

IN 1957 THE COMMUNIST WORLD PROCLAIMED AGREEMENT ON THE THEORY THAT WAR IS NOT INEVITABLE AND PEACE CAN BE MADE SECURE ON THE BASIS OF PEACEFUL COEXISTENCE WITH CAPITALIST COUNTRIES.

SINCE THEN MANY SPOKESMEN IN COMMUNIST CHINA HAVE SOUNDED OFF FOR A HARDER LINE. IN RECENT MONTHS THEY APPEARED TO HAVE BEEN QUIETED, EVIDENTLY BY SOVIET PERSUASION.

COMMUNIST CHINA SENT PRESIDENT LIU SHAO-CHI TO THE MEETING, AND ALL OTHER COMMUNIST COUNTRIES SENT THEIR LEADERS.

ABOUT 80 OTHER REPRESENTATIVES OF COMMUNIST PARTIES IN WESTERN WORLD AND ASIA ALSO CAME TO MOSCOW FOR THE BOLSHEVIK ANNIVERSARY CELEBRATIONS THAT PRECEDED THE MEETING, BUT THERE HAS BEEN NO WORD ON WHETHER THEY ATTENDED THE COMMUNIST SUMMIT TALKS.

JE/ED335PES

A12WX

AMS BUDGET (500) MISSILE POWER

BY ELTON C. FAY

WASHINGTON, NOV. 19 (AP)-U.S. BALLISTIC MISSILE LAUNCHING PLANES AND SUBMARINES WILL BE ABLE TO FIRE ABOUT A BILLION AND A HALF TONS OF NUCLEAR FURY FROM WORLD-ROAMING, MOBILE BASES IF PRESENT BUILDING AND PROJECTED PROGRAMS ARE CARRIED OUT.

THIS FANTASTIC TONNAGE WOULD BE ASIDE FROM THE MASSIVE DESTRUCTION POTENTIAL OF INTERCONTINENTAL BALLISTIC MISSILES (ICBMS) FIRED FROM FIXED BASES IN THE UNITED STATES, INTERMEDIATE RANGE MISSILES (IRBMS) BASED ABROAD AND THE TONNAGES OF MULTI-MEGATON BOMBS DROPPED FROM PLANES.

THE NAVY NOW IS WELL ALONG IN THE FIRST PHASE OF ITS PROGRAM FOR BUILDING AN EVENTUAL FLEET OF ABOUT 45 POLARIS SUBMARINES. THE FIRST SUCH SUBMARINE, WITH 16 MISSILES READY, IS NOW AT SEA. EACH MISSILE TODAY HAS AN ENERGY YIELD EQUIVALENT TO SLIGHTLY OVER 600,000 TONS OF CONVENTIONAL TNT EXPLOSIVE; THE YIELD IS EXPECTED TO BE INCREASED LATER TO ABOUT ONE MILLION TONS (ONE MEGATON) PER MISSILE. BY COMPARISON, THE FIRST ATOMIC BOMB DROPPED ON HIROSHIMA WAS OF 20,000-TON SIZE.

THE AIR FORCE IS PUSHING ITS PROGRAM FOR A MOBILE MISSILE LAUNCHING SYSTEM CALLED THE SKYBOLT.

THESE ROCKETS ARE DESIGNED TO HAVE A RANGE OF ABOUT 1,100 MILES WHEN LAUNCHED FROM B52 BOMBERS, WITH EACH BOMBER CARRYING TWO MISSILES.

AIR FORCE EXPERTS ESTIMATED TODAY THAT IF ONLY HALF OF THE B52 BOMBER FORCE OF 670 AIRCRAFT IS EQUIPPED FOR SKYBOLT MISSILES, THE VOLUME OF FIREPOWER WILL BE ABOUT THAT OF THE 720-MEGATON TOTAL FOR THE 45 POLARIS SUBMARINES.

THE SKYBOLT IS BEING DEVELOPED FOR THE AIR FORCE BY THE DOUGLAS AIRCRAFT CO., AS PRIME CONTRACTOR, WITH MAJOR SUBCONTRACTORS INCLUDING AEROJET GENERAL CORP., GENERAL ELECTRIC CO., BOEING AIRPLANE CO. AND NORTHROP CORP.

PRELIMINARY TESTS OF EXPERIMENTAL DESIGNS HAVE SHOWN THAT THE ROCKET CAN BE LAUNCHED FROM PLANES FLYING AT SUPERSONIC AS WELL AS SUBSONIC SPEED. THE B52 IS SUBSONIC. THE ROCKET ITSELF WILL FLY AT THE HYPERSONIC SPEED OF A BALLISTIC MISSILE.

THE MISSILE WILL BE DROPPED FROM A B52, THEN IGNITED AS IT CLEARS THE CARRIER PLANE. IN ITS FIRST PHASE, IT WILL TILT NOSE UPWARD AND CLIMB TO A TRAJECTORY PEAK OF MORE THAN 200 MILES, THEN ARC IN TOWARD THE TARGET.

THE ARGUMENT ADVANCED FOR THE SKYBOLT SYSTEM IS THE SAME AS THAT FOR THE POLARIS: IT GETS MISSILE LAUNCHING AWAY FROM KNOWN, FIXED BASES, USING INSTEAD LAUNCHING SITES WHICH ARE CONSTANTLY ON THE MOVE, HARD TO LOCATE OR DESTROY.

A B52 WILL BE ABLE TO CARRY A COMBINATION OF SKYBOLT MISSILES, MOUNTED EXTERNALLY, AND A BOMB BAY LOAD OF GRAVITY-DROPPED NUCLEAR BOMBS.

SOME OF THE LAST B52S STILL BEING BUILT CAN BE CHANGED TO PERMIT USE OF THE SKYBOLT, WHILE THE CHANGES NEEDED IN EXISTING BOMBERS CAN BE MADE EASILY AND AT COMPARATIVELY MODERATE COST, AIR FORCE EXPERTS SAY. THE MISSILE ITSELF WILL BE PROPELLED WITH A TWO-STAGE, SOLID FUEL POWER PLANT.

THE AIR FORCE ESTIMATES THE SKYBOLT SYSTEM WILL BEGIN TO COME INTO OPERATION IN 1964. THIS APPARENTLY WOULD MEAN THAT THE SYSTEM WOULD BE COMPLETED ABOUT 1966--WHICH COINCIDES WITH THE TARGET DATE FOR COMPLETION OF THE LAST OF THE 45 POLARIS SUBMARINES.

THE TRADE MAGAZINE, AVIATION WEEK, ESTIMATES THAT DEVELOPMENT COST OF THE SKYBOLT EVENTUALLY WILL REACH ABOUT $380 MILLION INSTEAD OF AN ORIGINALLY ESTIMATED $138 MILLION.

THE AIR FORCE BELIEVES THAT THE TOTAL SKYBOLT COST MAY BE LESS THAN THE OUTLAY FOR THE POLARIS SYSTEM. THIS IS CHIEFLY BECAUSE THE B52 CONVEYING VEHICLES ALREADY EXIST, WHEREAS THE NAVY IS BUILDING SPECIALLY DESIGNED SUBMARINES AS THE LAUNCHING VEHICLES.

JC/ER108PES

A58 (MP FW)

(160)

GLASGOW, SCOTLAND, NOV. 19 (AP)-MORE THAN 5,000 DEMONSTRATORS PARADED THROUGH THE STREETS OF GLASGOW TODAY IN A MILE-LONG PROTEST MARCH AGAINST THE SETTING UP OF A U.S. POLARIS SUBMARINE BASE ON THE RIVER CLYDE.

THREE LABORITE MEMBERS OF PARLIAMENT -- EMRYS HUGHES, JOHN RANKIN AND JOHN FORMAN---LED THE MARCH.

AT AN OPEN-AIR PROTEST MEETING, THE REV. CLIFFORD MACQUIRE OF TRINITY CONGREGATIONAL CHURCH MOVED A RESOLUTION OF PROTEST WHICH WAS PASSED UNANIMOUSLY.

THERE WAS A DEMONSTRATION ALSO IN LONDON. ABOUT 1,000 PERSONS MARCHED FROM A MEETING OF "THE LONDON PEACE CAMPAIGN" IN TRAFALGAR SQUARE TO HAND A LETTER OF PROTEST TO THE U.S. EMBASSY.

THE LETTER EXPRESSED "HORROR AND INDIGNATION AT THE THREAT TO THE PEACE OF THE WORLD" FROM AMERICAN BASES IN BRITAIN. IT ADDED THAT THE BRITISH PEOPLE, HOWEVER, FEEL THE "WARMEST FRIENDSHIP AND GOODWILL TO THE PEOPLE OF AMERICA."

THE DEMONSTRATORS, MANY OF THEM YOUTHS, CARRIED BANNERS READING "YANKEES -- TAKE YOUR ROCKETS HOME" AND "CLOSE THE U.S. BASES."

WH448PES

A144

U R G E N T

PARIS, SUNDAY, NOV. 20 (AP)-LYNDON B. JOHNSON, U.S. VICE PRESIDENT-ELECT, ARRIVED IN PARIS TODAY TO PARTICIPATE IN THE NATO PARLIAMENTARIANS CONFERENCE OPENING MONDAY.

THE TEXAS DEMOCRAT STEPPED SMILING FROM HIS PLANE INTO THE SOMBER GRAY OF A PARIS FALL MORNING AFTER A FLIGHT FROM THE UNITED STATES ABOARD A MILITARY AIR TRANSPORT (MATS) PLANE.

THE NORTH ATLANTIC TREATY ORGANIZATION'S ANNUAL PARLIAMENTARIANS SESSION WILL DISCUSS NATO'S GENERAL PROBLEMS, INCLUDING EXTENSION OF GEOGRAPHICAL RESPONSIBILITIES.

"I AM VERY HAPPY TO BE BACK IN PARIS," JOHNSON SAID IN A BRIEF AIRPORT STATEMENT. AND THEN WITH A BROAD SMILE, HE ADDED:

"I WILL NOT BE ABLE TO REVEAL ANYTHING ABOUT THE POLICIES OF THE NEW ADMINISTRATION UNTIL AFTER JAN. 20."

JOHNSON, SENATE MAJORITY LEADER WHO CAMPAIGNED SUCCESSFULLY WITH JOHN F. KENNEDY, PRESIDENT-ELECT, WAS MET AT THE AIRPORT BY U.S. AMBASSADOR AMORY HOUGHTON, AND AMERICA'S AMBASSADOR TO NATO W. RANDOLPH BURGESS.

SHORTLY AFTER JOHNSON STEPPED FROM THE GLEAMING MILITARY JET, HE DROVE IN FROM THE AIRPORT WITH THE TWO U.S. REPRESENTATIVES TO A DOWNTOWN PARIS HOTEL(CONTINENTAL).

ZR214AES

S24

BIELEFELD, GERMANY, NOV. 19 (AP)-POLICE TODAY ANNOUNCED THE ARREST OF TWO GERMANS WHO WERE ALLEGEDLY MEMBERS OF A SPECIAL NAZI UNIT RESPONSIBLE FOR THE MURDER OF JEWS IN LUBLIN, POLAND, IN 1943-44.

THEY ARE PAUL REILIG, 50, A WEST BERLIN CUSTOMS OFFICIAL, AND PAUL THEINER, 47, A BUSINESS EMPLOYE OF GERRINGEN NEAR STUTTGART.

TA220AES

A13 Munich,

~~MUNUZ~~, GERMANY, NOV. 19 (AP)--BISHOP THEODOR HECKEL OF THE EVANGELICAL PRISONERS' AID ORGANIZATION SAID TODAY THAT ALTHOUGH THOUSANDS OF DISPLACED GERMANS HAVE BEEN REPATRIATED FROM THE SOVIET UNION ABOUT 80,000 STILL REMAIN IN RUSSIA.

MC232AES

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A88WX

(250) SOBELL

WASHINGTON, NOV. 19 (AP)-A MASSACHUSETTS CLERGYMAN SAID TONIGHT "THE RELEASE OF MORTON SOBELL COULD BE A WORK OF HEALING AND REDEMPTION FOR AMERICA."

THE REV. JOHN PAUL JONES, ASHFIELD, MASS., WAS ONE OF THE SPEAKERS AT A BANQUET ATTENDED BY PERSONS URGING COMMUTATION OF SENTENCE FOR SOBELL, NOW IN THE 11TH YEAR OF A 30-YEAR SENTENCE AFTER CONVICTION ON THE CHARGE OF CONSPIRACY TO COMMIT ESPIONAGE.

SOBELL, TRIED IN 1951 WITH ATOM SPIES JULIUS AND ETHEL ROSENBERG, HAS MAINTAINED INNOCENCE. HE IS NOW IN THE ATLANTA FEDERAL PRISON.

THE REV. MR. JONES, A BOARD MEMBER OF THE AMERICAN CIVIL LIBERTIES UNION, SAID "IF MORTON SOBELL STAYS IN PRISON AFTER 10 YEARS--SIX OF THEM IN ALCATRAZ--IT WILL MAKE PLAIN THAT MY COUNTRY IS IN POOR MENTAL AND EMOTIONAL HEALTH."

HE SAID THE UNITED STATES "IS SUSTAINED BY NEITHER GOD NOR HUMANITY WHEN IT IGNORES FIVE CRUCIAL MATTERS, NAMELY: (1) IMPROPER ELEMENTS IN A TRIAL, (2) THE HYSTERICAL ATMOSPHERE IN WHICH THE TRIAL TOOK PLACE, (3) THE DISPROPORTIONATE PRISON SENTENCE. . . (4) 10 YEARS OF EXEMPLARY BEHAVIOR IN PRISON AND (5) THE TROUBLED CONSCIENCE OF DISTINGUISHED AMERICANS--AND MEN OF INTERNATIONAL EMINENCE--WHO HAVE STUDIED THE RECORD OF DEFENDANT SOBELL."

BACKERS OF THE APPEAL FOR SOBELL SAY 1,200 U. S. CLERGYMEN ARE URGING A COMMUTATION OF SENTENCE FOR HIM. REPRESENTATIVES OF THE CLERGY GROUP WILL TAKE

URGING A COMMUTATION OF SENTENCE FOR HIM. REPRESENTATIVES OF THE CLERGY GROUP WILL TAKE AN APPEAL TO THE WHITE HOUSE MONDAY ASKING A PRESIDENTIAL COMMUTATION FOR SOBELL DURING THE TRADITIONAL CHRISTMAS AMNESTY PERIOD.

GG655PES

End Nov 19, 1960